



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Lafayette Bancorp, Inc (single bank holding company for Oxford University Bank)

Person to be contacted regarding this report:	R. L. Holley, President & CEO
CPP Funds Received:	\$4,451,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	2/20/2009
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	3260551
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	57034
City:	Oxford
State:	Mississippi

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	During 2009, loan volume grew by 6.7% from 62,377,433 to 66,592,147 creating a loan to deposit ratio of 85.7%. Because of CPP funding, the bank has raised loan volume to 68,978,000, YTD 2010, bringing the current LTD ratio to 91.8%. Further LTD increases would adversely affect liquidity.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Primary increases have occurred in consumer lending and commercial mortgage loans to support small business.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	
<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	Reserves are not allowed for securities. \$4 million in trust preferred asset securities are owned by the bank. The CPP funds held in the Bank's equity and in the Holding Company constitute reserves for these non-performing assets.

<input checked="" type="checkbox"/>	Reduce borrowings	The bank anticipates reducing borrowings from the FHLB by \$3 million in 2010.
<input type="checkbox"/>	Increase charge-offs	
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input type="checkbox"/>	Held as non-leveraged increase to total capital	

What actions were you able to avoid because of the capital infusion of CPP funds?

The bank was able to avoid a less than "well capitalized" designation and thereby, higher FDIC premiums. Lower expenses allows for quicker repayment of CPP funds.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

The bank has plans to expand into a neighboring "under served" market and has been able to continue with that plan.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.